

Draft of Gambling Control Board Meeting Minutes

June 20, 2007

45 Commerce Drive, Augusta, Maine

Meeting opened at 12:40 p.m.

Board members present: Chairman George McHale, Larry Hall, Cushing Samp and Peter Danton.
One vacancy exists on the Board.

Staff members present: Exec. Director Robert Welch, Lt. David Bowler, Sgt. Robin Parker, Auditor Scott Woods and Secretary Kathy Chamberlain.

Legal counsel: Melissa O'Dea, Ass't Attorney General

- **Minutes from June 20, 2007 meeting approved.**

Motion to accept: Ms. Samp

Seconded: Mr. Hall

Vote: 4-0

- **Executive Director's Report – Robert Welch**

A. Bangor Historic Track and International Gaming Technology's (I.G.T.) licenses have been renewed.

B. Community Impact Study – Mr. Welch inquired about possible funding for the study, however the \$35,000 fee would not be available until the 2010/2011 Gambling Control budget year.

C. Request from the Judiciary Committee – The Gambling Control Unit is cooperating with the Dept of Human Services Delinquent Parent Support Unit to look at the possibility of attaching winnings at the Racino by delinquent parents. Waiting now for Judiciary to decide how to proceed.

D. Legislative Bill – a request has been submitted to Commissioner Jordan, suggesting legislation requiring Agencies/Entities to provide an Annual Report to the Board advising where the monies are going they are receiving from the Racino revenues. Comm. Jordan will propose the bill for January 2008.

E. McDonald, Page has been awarded a contract again as the Board's financial consultants. This contract will run from July 2007 – 2009 with a two year renewal possible.

F. Problem Gaming Hotline Calls tally was submitted to the Board for their information.

- **Financial Update – Scott Woods**

No financial problems, all going well. Payments are coming in and going out very well. There are now nine recorded days where two million dollars were played at the Racino, since their opening of November 2005.

- **State Police Activity Update – Sgt. Robin Parker**

24 applications have been received and processed since the June Board meeting. New inspector Ed Bonney is fitting in well at the Racino. The working relationship with the Racino staff is going well. Inspectors are checking vehicles in the parking lot for children, elderly and pets left in them. Still finding some dogs. The Racino staff also does this check and pages people in the facility to ask them to leave if there is an animal in their car.

- **Other Business**

Mr. Danton suggested the monies be obtained and proceed with the Impact Study. Mr. Welch and Chairman McHale were asked to speak to the Commissioner about getting the monies to do so. Dartmouth was suggested as one place to have this study done, but any such study will have to go to RFP. Ms. Samp advised that if we could not do an RFP to have the study done until 2010, she would not support the continuation of the moratorium.

Motion: Mr. Hall to continue the Moratorium as it stands.

Seconded: Mr. Danton

Discussion ensued.

Motion: Ms. Samp to table this until we see if the study funding sources can be obtained by Mr. Welch, by the next meeting.

Motion: Mr. Hall to vote on the previous motion

Amendment: Mr. Hall to amend his original motion to wait until the next meeting.

Seconded: Mr. Danton seconded the amendment (to table the original motion)

Vote: 4-0.

- **New Business**

None

- **Public Comments**

Dan Walker, Attorney for Preti Flaherty addressed the Board in reference to the current contract with Scientific Games and the Gambling Control Board. Scientific Games would like to get the contract amended to increase their payment from the state, citing a “change in work.”

Motion at 1:50 p.m. by Mr. Hall to go into Executive Session to receive legal advice from Melissa O’Dea Title 1, Sec. 405- 6E.

Seconded: by Mr. Danton

Vote: 3-0. One abstention by Ms. Samp.

*** Executive Session began at 1:50 p.m.***

*** Executive Session ended at 2:10 p.m. ***

Recess at 2:12 p.m. for five minutes.

Meeting reconvened at 2:18 p.m.

Scientific Games Contract Discussion continued.....

Dan Walker proposed to the Board that the revenue amount be raised, and therefore reopen the contract.

Motion: Ms. Samp motioned for the Board to not get into the reopening of the contract.

Seconded: by Mr. Danton

Discussion: Ms. Samp questioned whether reopening of the contract to increase the payments would violate the Purchasing Laws of the State of Maine, as a “substantial change” Dan Walker suggested that he could share confidential and proprietary information in executive session to address the Board’s concerns.

Original motion withdrawn by Ms. Samp.

Second withdrawn by Peter Danton.

Motion: by Cushing Samp to go into executive session, citing Title 1, Sec 405 – 6F.

Seconded: by Peter Danton

Vote: 4-0 to go to executive session

* **Executive Session began at 2:33 p.m.** *

* **Executive Session ended at 3:13 p.m.** *

A summary of the Executive Session was offered by Ms. Samp. The original Scientific Games contract was based on a fiscal note that was attached to L.D. 1820 when it passed in 2004. This was not proven to be reality, so Scientific Games wishes to renegotiate. Ms. Samp questioned whether the Board has the authority to renegotiate, and opined that it does not.

Motion: Ms. Samp to reject the Scientific Games’ proposal to renegotiate the contract.

Second: by Mr. Danton

Discussion: Dan Walker advised that Scientific Games would like withdraw their proposal, without prejudice, until they could have a discussion with the Purchases Dept and with the Attorney General’s office.

Motion withdrawn by Ms. Samp

Second withdrawn by Mr. Danton

- **Next meeting dates – September 26, 2007 and October 24, 2007**

Motion: by Ms. Samp to adjourn meeting at 3:26 p.m.

Seconded: by Mr. Danton

Respectfully submitted,

Kathy Chamberlain
Secretary